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State of Illinois  
Rod R. Blagojevich, Governor



Illinois Department on Aging  
Charles D. Johnson, Director

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# Housing Options for Older Adults



Illinois Department  
on Aging



There are many housing options available to seniors. Some options are designed to help an older person remain in his or her own home, allowing that person to “age in place.” Other options are designed to provide supportive services to residents in a multi-unit setting.

## Remaining in one's own home

### Home Equity Conversion:

- **Reverse Mortgages** are a type of home equity conversion involving payments to, rather than from, the homeowner. This special type of loan guarantees older homeowners monthly cash advances or occasional lump sums that do not require repayment until the homeowner sells the home, moves away or dies. For information, call the Senior HelpLine at **1-800-252-8966**. (Voice); **1-800-206-1327** (TTY).

- **Sale Leaseback** is when the home is sold to a third party (often the adult child of the homeowner) who immediately leases it back to the seller (older homeowner) under an agreement of life tenancy.

[**Note:** Anyone considering Home Equity Conversion should discuss their intentions with trusted advisors who are knowledgeable about these programs.]

### Maintenance Programs:

- **Low Income Home Energy Assistance Program (LIHEAP):**

Administered by the Department of Healthcare and Family Services (HFS), this program helps low-income individuals pay heating and cooling bills. The amount of the payment is determined by income (based on the federal poverty level guidelines), household size, fuel type and geographic location. If you rent and your heat or electric is included in the rent, then your rent must be greater than 30 percent of your income in order to be eligible. To apply, contact HFS toll free at:

**1-800-252-8643** (Voice, 8:30 a.m. - 5:00 p.m., Monday through Friday).

**1-800-419-0667** (TTY, Chicago Office)

**1-800-526-5812** (TTY, Springfield Office)

- **Illinois Home Weatherization**

**Assistance Program** is designed to help low-income residents have more energy efficient homes. Typical kinds of weatherization include sealing cracks with weatherstripping and caulk, insulating attics and walls and repairing windows and doors. Furnace work may also be provided. Weatherization services are free to households that are eligible for LIHEAP; to those who have an occupant receiving Supplemental Security Income (SSI), Temporary Assistance for Needy Families (TANF) or Aid to Aged, Blind and Disabled (AABD); or to those with specified annual incomes. Renters may be assisted if they are eligible, but a 50 percent landlord contribution for weatherization work is required. **To find out how to apply, call the same numbers listed for LIHEAP.**

- **Home Maintenance and Repair Programs**

are designed to help older adults remain in their own homes or apartments by making repairs to the home at little or no cost to the residents. “Repairs” can include yard work, painting, electrical or plumbing repairs, repairs to steps or porches or the addition of adaptive devices for persons with disabilities. Some of these programs are supported by federal subsidies; others are private initiatives.

### Tax Rebates:

- **Circuit Breaker** provides annual rebates to eligible individuals paying property or mobile home taxes or rent. Applicant must be over 65 or disabled and meet income guidelines. The rebate is based on the amount paid in

property tax, rent or nursing home charges (in certain instances) and total household income. Discounts are also available to renew license plates. **For an application, call the Illinois Department on Aging, 1-800-252-8966 (Voice); 1-888-206-1327 TTY).** [www.cbrx.il.gov](http://www.cbrx.il.gov).

- **Senior Citizen Homestead**

**Exemption** is a tax break for homeowners 65 years and older. It reduces the equalized assessed valuation of an eligible residence by \$3,000.

- **Senior Citizen Homestead Freeze** is a program for qualified older adults who elect to freeze the equalized assessed value of their property. The exemption does not freeze the amount of the tax bill, rather it freezes the property value at a "base year," which is that year preceding the date the homeowner first applies for the exemption. To qualify, homeowners must be 65 years of age or over and lived in the residence at least two years prior to the application date. There is also an income limit. Filing deadlines often vary per county. Contact the county assessment office listed in your area telephone directory for specific information.

- **Homeowners Exemption** is a program that eliminates up to \$3,000 of the increase in a home's taxable value (equalized value) over what it was in 1977. There is no age requirement for this exemption.

- **Real Estate Tax Deferral** is a state tax relief program allowing low-income homeowners to defer all or part of the property taxes on their residence until it is sold. Taxes would be paid once the home is sold or when the taxpayer dies.

- **Sewer Tax Rebate** is offered to seniors in some cities.

## Small-Scale, Multi-resident Options

- **Accessory Apartments:** A second, completely private living unit built within the basic frame of an existing single-family dwelling ("in-law apartment").

- **ECHO Housing or Granny Flats:** A self contained, free-standing and temporary living unit occupied by a relative on the property of an adjacent single family dwelling. Typically used for an aging relative and then removed when the need for proximity to the family is ended.

- **Shared Housing:** A living arrangement where two or more unrelated people share a house or apartment to their mutual advantage. Each person has a private room and shares common living areas. There are two types of shared housing:

- **Match-Up** involves a home owner sharing his or her residence with a home-seeker who pays rent. Many matches are intergenerational or entail the provision of services in exchange for a reduction in rent.

Matching services are usually run by a county agency, social service agency or religious group that interviews both parties.

- **Group Shared Residences** involve a number of people living cooperatively in a single large dwelling. Most residents are sponsored by non-profit organizations that frequently provide services such as cooking, laundry, house-keeping and maintenance.





# Large-Scale, Multi-unit Options

- **Congregate Housing:** Multi-unit rental housing, specifically designed, planned and managed to provide supportive services to its residents. It typically provides self-contained apartments or single rooms and supportive services and includes meals, housekeeping, transportation, social and recreational activities.
- **Continuing Care Retirement or Life Care Communities:** Housing planned and operated to provide a continuum of accommodations for older adults including (but not limited to) independent living, congregate housing, assisted living and nursing home care. Services are contingent upon the level of functioning of the resident and the care he or she needs. Financial arrangements may include significant entrance and/or endowment fees, in addition to monthly charges. **(It is important to note the distinction between the two. A Life Care Community guarantees care for life; a Continuing Care Retirement Community does not.)**
- **Cooperative Apartments:** Typically an independent apartment building where residents are part owners of the corporation controlling the building. Owners have part in the decision-making process and can affect the amenities of the building, including management and services.
- **Farmers Home Administration (FmHA):** Provides financial assistance to eligible entities to construct apartment complexes in rural areas (towns with populations less than 10,000). Apartment complexes are designated either as family or as elderly (designed for those 62 or older, or developmentally disabled) and are residential in nature. Rent is based on tenant's income.

**Federally Subsidized Housing:** Rental housing built privately or municipally and operated with financial assistance from the U.S. Department of Housing and Urban Development (HUD). Low-income residents pay 30 percent of their income for rent and HUD pays the difference. Management provides limited services, if at all, to the residents, who are required to be independent. Dwellings built under the Section 202 program provides rental units exclusively for seniors and persons with disabilities.

- **Independent Senior Apartments:** Structures with self-contained living units for older adults who are able to care for themselves. Management may facilitate minimal access to community services and provide limited recreational services for voluntary use by residents. No medical services are provided.

- **Municipally Owned or Subsidized Housing:** A building or program that allows for its low or moderate-income residents to pay 25 to 30 percent of their incomes for rent. A municipally-funded building or program is funded through bonds, taxes and other pools of money that guarantees that the market rent will be paid to the management.

- **Retirement Communities (Villages):** Developments that typically offer home ownership and rental units specifically planned and designed for older adults. Supportive services are often available free of charge.

- **Single Room Occupancy Hotels:** A property primarily providing single, furnished rooms for rent on a daily, weekly or monthly basis with no lease. Usually occupied by low-income individuals. Also known as transient hotels or SROs.

# Illinois Housing Development Authority (IHDA).

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For information on other affordable housing programs, call IHDA's Office of Housing Coordination Services at **1-312-836-5383** or access IHDA's website at [www.ihda.org](http://www.ihda.org).

The definitions for this brochure were developed from the following resources:

Linda Hubbard, Ed., Housing Options for Older Americans (Washington, D.C., 1984, American Association of Retired Persons);

American Association of Retired Persons with the Federal Trade Commission, Your Home Your Choice: A Work Book for Older People and Their Families, (Washington, D.C., American Association of Retired Persons);

Audio-Visual Resource Center, Cornell University, "Housing Options for the Elderly" (Ithaca, N.Y.)

Shared Housing Resource Center, "What is Shared Housing?" (Philadelphia, PA).

For more information call the  
**Senior HelpLine: 1-800-252-8966 (voice);  
1-888-206-1327 (TTY).**

Monday - Friday, 8:30 a.m. - 5:00 p.m.

Illinois Department on Aging  
421 East Capitol Avenue, #100  
Springfield, Illinois 62701-1789  
FAX: 217-785-4477  
[www.state.il.us/aging](http://www.state.il.us/aging)

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